(b) Sugar Development Fund (SDF) loan given in the first six months of the year 2003-04, 2004-05 and 2005-06 were Rs. 20.10 Crores,. 68.09 Crores and 26.30 crores respectively.

(c) Number of applications received for taking loans from SDF during the said period were as follows :-

2003-04	16
2004-05	11
2005-06	23

(d) Loans against the above applications were not sanctioned in the same above said period. However, subsequently, loans were sanctioned to the above applicants, which were valid and complete, as follows:-

Schemes	2003-04	2004-05	2005-06
Modernization/Expansion	Nil	2	1
Cane Development	2	5	4
Bagasse based Co-Generation	2	2	1
Ethanol from Molasses	Nil	2	1
TOTAL :	4	11	7

Administrative Expenditure under PDS

†3398. SHRI RAVI SHANKAR PRASAD:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that administrative expenditure is more under the targeted Public Distribution System;

(b) if so, whether it is also a fact that to provide benefit of Re. 1 to needy poor person, Rs. 3.65 are spent;

(c) if so, the facts in this regard; and

†Original notice of the question was received in Hindi.

(d) whether there exists a need to reduce the said expenditure and if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH):

(a) The Programme Evaluation Organisation (PEO) of the Planning Commission has conducted the performance Evaluation on targeted Public Distribution System (TPDS). In the Study report, the administrative expenditure for TPDS was not separately estimated. However, the said Report shows that the actual income gain to a BPL household purchasing food grains from PDS was only 65% of the budgetary income transfer made to him. This was an indication of the high cost of administration of PDS.

(b) The estimates drawn by PEO was based on a sample survey of 18 States in the country, show that only 42.17% of the subsidized food grains meant for the population below poverty line (BPL) reached them. While this figure is combined with the figure on relative efficiency of PDS given in (a) above, it turns out that for a budgetary income transfer of Re.1/- to the poor, the Government spent Rs. 3.65/- [i.e. Re. 1/ (0.4217x0.65)].

(c) The gap reported above was primarily due to , (i) the high cost of handling food grains incurred by the agencies involved therein (reflected in the trade-of between budgeted income transfer and actual income gain to a poor PDS consumer) are (ii) the leakages/diversion of BPL grains from the distribution chain. The aforesaid leakages include:

* The diversion of good grains meant for the poor to the non-poor on account of the overestimation of the number of poor households (estimated to be 21.45% of the total subsidized grains).
* Leakage through deliberately created ghost ration cards, i.e. Cards not with their actual owners and excess cards within the system (estimated to be 16.67%) and Leakage of BPL food grains at the FPS level (Estimated to be 19.71%) It was further noted that; (i) the FPS level profits were extremely low in general on account of low margins allowed to them and low volume of transactions and (ii) the mechanism put in place for monitoring distribution of PDS grains was weak across states.

(d) Due to all the above, there existed the need for reducing the administrative expenditure of public agencies involved in grain handling and for plugging the leakages of BPL good grains from their supply chain.

AAY Allocation to Andhra Pradesh

3399. SHRI C. RAMACHANDRAIAH: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the number of Antyodaya Anna Yojana (AAY) beneficiaries in Andhra Pradesh as on 30th September, 2005;

(b) the details of quantity of rice being allotted every month by the Central Government towards distribution for each beneficiary and the rate at which they are distributed;

(c) whether it is a fact that Government have agreed in principle to bear the expenditure to the extent of transport and handling charges and fair-price dealers commission under the AAY scheme;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) 15,57,800.

(b) The monthly allocation of rice under the Antyodaya Anna Yojana (AAY) for Andhra Pradesh is 54,524 MT for distribution @ 35 kg. per Ration Card.

(c) to (e) In the conference of State Food Ministers held in October, 2004, there was a recommendation that the foodgrains distributed under AAY, through the fair price shops should be entitled to retail commission from Government of India. However, Government has not found the proposal feasible, because already a huge subsidy is being provided under the scheme, and it was felt that part of the subsidy burden should be borne by the State Governments also.